

May 15, 2008

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New Mexico

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Chris Wold
Oregon

The Honorable Stephen L. Johnson
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Dear Administrator Johnson:

The National Advisory Committee (NAC) to the U.S. Representative to the North American Commission for Environmental Cooperation (CEC) held its Thirtieth meeting on April 16 and 17, 2008, in Alexandria, Virginia.

We wish to thank your staff for excellent organization, preparation and logistics for the meeting. Materials provided by EPA in anticipation of the meeting prepared our committee well and the agenda was well designed. We focused on four areas of interest: 1) North American Symposia on Assessing the Environmental Effects of Trade, 2) Economic and Environmental Sustainability, 3) Import Safety and the CEC, and 4) the Green Buildings Article 13 report. For each of the topics EPA or trade representatives gave us a briefing to put the charge questions in context. Russell Smith of Office of the United States Trade Representative, Environment and Natural Resources Division presented a summary of the purpose and process used for the Symposia and described the interest in advice on Sustainability and Competitiveness. Janet Bearden, EPA, provided context for our discussions on Trade and Enforcement. Alison Kinn Bennett, EPA provided the overview on the CEC's Green Building report.

We are grateful for the presentations that were made by invited guests and EPA staff that joined the NAC and GAC at this meeting: Evan Lloyd, Director of Programs, CEC Secretariat; Sue Stendenbach, EPA; Alison Kinn-Bennett, EPA; Nadtya Hong, EPA.

Finally, we thank Jerry Clifford from the EPA Office of International Affairs for his letter in response to our last advice dated February 6, 2008, as well as Scott Fulton, Sylvia Correa, and Evonne Marzouk for attending the meeting and participating in our discussions. We also extend our gratitude to Rafael de León, Mark Joyce, Oscar Carrillo, Nancy Bradley, Geraldine Brown, and Jannell Young-Ancrum, from the EPA Office of Cooperative Environmental Management for organizing and staffing this meeting.

We hope this advice will be of use to you and other US government officials as we continue to think about how best we can support the CEC in achieving its mission. We look forward to meeting with you at the next Council session June 25-26 in Ottawa, Canada if your schedule permits, as we did last year.

Thank you for the opportunity to advise you on these matters.

Very truly yours,



Aldo A. Morell
Acting Chair, National Advisory Committee

cc: Jerry Clifford, Acting Assistant Administrator for EPA's Office of International Affairs
Scott Fulton, Deputy Assistant Administrator for EPA's Office of International Affairs
Rafael DeLeon, Director, Office of Cooperative Environmental Management
Jeff Wennberg, Chair, U.S. Governmental Advisory Committee
Oscar Carrillo, Designated Federal Officer
Jane Gardner, Chair, Joint Public Advisory Committee
Adrián Vazquez, Executive Director, Commission in Environmental Cooperation
Patricia Munoz, Chair, Mexican National Advisory Committee

Members of the U.S. National Advisory Committee:

Dennis Aigner	Aldo Morell
Barry Featherman	Jerry Pardilla
Karen Chapman	Carlos Perez
Irasema Coronado	Anne Perrault
Richard Guimond	Chris Wold
Robert Johnson	Dolores Wesson

National Advisory Committee
To the U.S. Representative to the
Commission for Environmental Cooperation

Advice 2008-1 (April 17, 2008): Response to EPA's request on North American Symposia on Assessing the Environmental Effects of Trade

The committee received documents prior to the meeting summarizing three previous Symposia and one to be held during the week following the meeting. Regarding the charge question about the impact and relevance of the symposia, NAC members have had limited experience with past symposia, but it was noted by more than one member that the previous symposium on Trade and the Environment held in Montreal in 2005 was excellent in design and quality of information presented. However, based on the information presented at our meeting regarding the symposia, and on NAC member experience, the NAC suggests that the symposia can be more effective if the purpose and audiences are clearly defined and if the results are succinctly summarized and publicized.

Depending on the subject, the CEC should first consider if a symposium is the most appropriate way to achieve the desired goal. In many cases, it may very well be most appropriate, but the CEC should consider other methods that may be more efficient ways to achieve the purpose. As an example, a Request for Research Proposals might be issued, followed by a targeted workshop involving a few participants with expertise relevant to the subject matter to discuss the results, followed by broad dissemination of the materials to the target audience.

If a symposium is deemed the most appropriate way to achieve the desired results, CEC should consider the purpose of the symposium and the target audience. A question may be: Is the purpose of the symposium to gather information that will then be disseminated to a general audience, is it to influence decision-making relative to a policy issue, or is it a combination of the two?

Once these questions are answered and the target audience is clearly defined, the CEC should find appropriate avenues for advertising the event and broaden its outreach to groups outside the CEC list-serve. For example, a symposium on Green Buildings could be advertised or announced to architectural groups and associations, municipal associations, and others for whom the subject matter is relevant and to whom the CEC would like to direct the information. In some cases, such groups might also be considered or approached as co-sponsors of the symposium.

The CEC might also consider, where feasible, timing the symposium to coincide with other meetings, gatherings or events that the target audience might be attending already or be interested in attending at the same time. Such synergistic timing would likely draw broader media coverage as well as additional interested participants.

NAC members also note that the information presented at the symposium should be synthesized in order to better achieve the desired purpose. If the information is intended to influence policy, for example, a brief summary of the main points should be written to capture the essence of the policy recommendations and then issued to the target audience that extends beyond the list-serve.

Relevant to this last point, NAC members felt that the CEC would benefit from hiring a media consultant to design and execute a communications plan for each event or symposium, particularly if the purpose is to reach a larger audience or to express policy recommendations. Depending on the purpose, the communications plan might include strategies for compiling a list of the target audiences, outreach and advertising of the event, synthesizing the results in a timely way (even, in some cases, the same day the symposium ends), and announcing or publicizing the results and/or policy recommendations, perhaps through a press conference or announcement held at the end of the symposium or shortly thereafter.

Finally, in each case, the CEC should consider whether or not some symposia might be tied to Article 13 reports relative to Trade and the Environment. Such ties could build on internal efforts and capitalize on the opportunities to strengthen current reports. These ties could also help disseminate reports that the CEC has already published and to combine outreach efforts for both the reports and the symposium.

Recommendations:

- ***Include a line item for a media consultant for the symposia in the CEC budget who will prepare and implement a communications plan.***
- ***Consider the purpose and target audience for the event and broaden outreach to include the relevant groups/agencies/organizations.***
- ***Expand partnerships with other relevant organizations and/or sponsors.***
- ***Synthesize the results quickly and succinctly, and then release them through the appropriate avenue, including partner/sponsor mailing lists.***
- ***Consider holding a future symposium on environmental product policy in North America.***

National Advisory Committee
To the U.S. Representative to the
Commission for Environmental Cooperation

Advice 2008-2 (April 17, 2008): Response to EPA's request on Economic and Environmental Sustainability

The CEC has initiated a project to gain a better understanding of how it might foster an appreciation that environmental sustainability can also improve competitive advantage in a business. Part of the project includes funding a study to review existing literature on the topic. Russell Smith presented a summary of EPA and CEC interest in the subject. Dennis Aigner, a member of the NAC, presented a review of the state of Corporate Social and Environmental Responsibility in business today. The NAC observes that multinationals are already very engaged in sustainability activities and therefore suggests that the CEC focus on promoting methods of developing environmental products and educating small and medium enterprises (SMEs) on the benefits of sustainability.

There is a burgeoning literature of academic research and numerous case studies substantiating the positive links between environmentally sustainable business practices and business success in large companies. The corporate members of the NAC, representing three multinational companies, provide specific examples of this linkage and evidence of industry leadership.

In addition, business organizations like the World Business Council for Sustainable Development, Global Environmental Management Initiative (GEMI), the Business Roundtable, CERES (whose mission involves integrating sustainability into capital markets), and Global Reporting Initiative (GRI), document and in other ways promote the notion that enhanced environmental performance is not only compatible with business success but offers an opportunity to increase profitability and reputation, and reduce operating risk.

However, such opportunities do vary by industry sector and companies within sectors are positioned differently to respond to them. Some of the most compelling examples of the payoffs to improved environmental performance come from companies in the most highly regulated sectors.

The NAC believes that the goal of CEC to encourage better understanding of the interplay between environmental sustainability and economic success is good. Given the work already underway in companies and NGOs, however, we question whether the CEC's current plan to conduct a workshop on environmental sustainability and competitiveness and to sponsor the writing of a report that reviews the literature on the topic is worthwhile.

Consequently, the NAC believes that the CEC can make most useful contributions in two areas:

1. Environmental Product Policy - the CEC is proposing to spend about \$20K to partner with a journal to support the development of research on identifying priorities for environmental product policy in North America. Many multinational companies are incorporating environmental goals or objectives into the development of new products and services. Typically, the companies include targets for energy efficiency, reduction of toxic or hazardous substances, reduction in packaging, ease of recycle, use of recycled materials, and safety

serving as metrics of success. Some companies have developed tools that compare these metrics from one product to the next generation of product. The NAC believes that it would be very useful and innovative if the CEC sponsored research to assess the work underway by pioneering companies and provided some analysis of the priorities that have been developed by these companies and the effectiveness of the tools they are using. The results could be a special journal issue, special report or workshop and report that provided the information more broadly than is currently available. The NAC believes that the amount of resources devoted to environmental product concepts should be increased (Task 4) whereas the resources devoted to a general report on environmental sustainability in North America should be reduced (Task 3).

2. Small and Medium Enterprises – many multinationals are already leading the way to incorporate environmental sustainability and economic growth into their business models and strategies. It is unlikely that the CEC can play much of a role in helping to foster these concepts among these leadership companies. Most of these companies are now working diligently to drive these concepts down their supply chains into SMEs that provide them materials, components and services. The NAC believes that the CEC can have a significant impact in helping to educate SMEs about the potential success they can achieve by adopting the approaches that the larger companies are successfully employing. Therefore, the NAC believes that the CEC should expand its current and potential projects to deal with environmental sustainability and competitiveness in small and medium enterprises.

Recommendations:

- ***Increase funding for projects on environmental products policy and concepts.***
- ***Reduce funding for a workshop and general report on environmental sustainability in North America.***
- ***Focus current and future sustainability & competitiveness projects on small and medium enterprises.***

National Advisory Committee
To the U.S. Representative to the
Commission for Environmental Cooperation

Advice 2008-3 (April 17, 2008): Response to EPA's request on Import Safety and the CEC

The CEC Enforcement Working Group (EWG) has a new initiative on import safety, including Canada's proposal on non-compliant imports which is now a part of the CEC Operational Plan. The NAC concurs that the issue of illegal imports and import safety is significant and should continue to be a priority for the EWG, however we encourage a different approach to implementing the priority for enforcement and more comprehensive border agent training.

Janet Bearden, the U.S. lead for the EWG explained that priority for developing border training for import safety enforcement has been focused on regulations that are similar in the three countries. For example, web-based training has been developed for ozone-depleting compounds and additional training packages are planned. Ideally, priority for training development should be given based on risk of improper movement of materials across borders.

Because of limited personnel, border agents have little time for training. The EWG has developed web-based training that is not required of border agents, but has been made available to agents who may want to take the initiative to learn about environmental import regulations. This approach is likely to lead to few agents using the training and therefore enforcement is likely to be lax and inconsistent. The NAC suggests that following development of new training, the EWG should conduct training workshops for border agents and randomly schedule enforcement campaigns. Such campaigns are more likely to achieve better results than passive deployment of web-based training. As further incentive, EPA might consider rewarding those that complete and pass a competency test by distinguishing them with a certificate and possibly monetary compensation. Such incentives can be quite motivational.

EPA and the EWG are concerned that hazardous waste that should be crossing the border for proper disposal often does not reach the desired destination. Such wastes are currently tracked through inefficient paper systems. A program to develop new electronic technologies to track cross-border movement of hazardous waste, using Radio Frequency Identification (RFID), had been started, but funding is no longer available. The NAC supports renewed funding for this work. In this day and age, to rely on paper tracking is inefficient and ineffective.

The NAC further suggests that a media-relations strategy could help improve the effectiveness of communications about successful enforcement actions. This could be a useful deterrent to those who may be considering illegal border movements of materials.

Recommendations:

- *The EWG should prioritize training based on the potential risks of non-compliant imports.*
- *The NAC recommends use of enforcement campaigns in which EPA agents, working with local border authorities, would target a specific topic such as mobile sources for a finite period of time. These campaigns could be performed periodically and scheduled randomly. We would suggest measuring effectiveness of enforcement by using the*

same standard forms of measures used for other border-enforcement activities such as: amount of material confiscated, number of agents trained, and total fines collected.

- *The NAC supports development of electronic tracking tools, including for example RFID, to track cross-border hazardous waste shipments.*

National Advisory Committee
To the U.S. Representative to the
Commission for Environmental Cooperation

Advice 2008-4 (April 17, 2008): On Article 13 Report “Green Building in North America.”

The NAC was pleased to have the opportunity to discuss the last Article 13 Report on “Green Building in North America.” In Mexico, Canada, and the United States, commercial and residential building and their operations account for 20, 30 and 40 percent, respectively, of greenhouse gases, up to 25 percent of landfill waste and 12 percent of water consumption. In addition, poor siting leads to inefficient land use, greater use of energy in transportation, polluted runoff, loss of agricultural lands, fragmented habitats and loss of quality of life. The report underscores that according to the Intergovernmental Panel on Climate Change (IPCC), the improvement of building practices is the quickest and cheapest way to achieve significant reductions in greenhouse gas emissions, with net economic benefits.

The report makes a strong case for elevating this issue to the top of the climate mitigation debate in North America and lays out a series of sound recommendations. Although the NAC did not discuss the recommendations individually, it strongly endorses them as a package and recommends that the US government and the Secretariat move forward aggressively and expeditiously with the implementation of these recommendations. A strong outreach campaign to promote the urgency and implementation of the recommendations in all three countries should be a priority of the Secretariat.

Recommendations:

- ***The upcoming June Council Session in Ottawa should aggressively showcase the Green Building report and seek to make tangible strides in its implementation as soon as possible.***
- ***The CEC should integrate the recommendation into its Operational Plan and seek to build partnerships with the business sector, academia, the international philanthropic community, and civil society to implement the vision outlined in the report as expeditiously as possible.***